

Summary: Enacted Bill
JUDICIARY FY 2003-04
Senate Bill 281



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Overview

Article VI of the State Constitution of 1963 is the basis for Michigan's judicial branch of government. The Judiciary budget includes operational funding for the Michigan Supreme Court, Court of Appeals, and related judicial agencies. Additionally, the budget funds the salaries of justices of the Supreme Court and judges at the appeals, circuit, probate, and district levels according to constitutional and statutory requirements. Grant funding for trial court operations is provided to counties through Court Equity Fund reimbursements based on a statutory formula. Various other grant programs provide funding to trial courts and related organizations. In the enacted FY 2003-04 budget, justices' and judges' salaries constitute the largest portion of the Judiciary budget: 36 percent of the Gross budget and 53 percent of the GF/GP budget.

FY 2003-04 Recommendations

	FY 2002-03 YTD (as of	Executive	Senate	House	Enacted	Difference: Enacted to 2002- Amount %	
IDG/IDT	\$2,833,500	\$4,633,500	\$4,633,500	\$4,633,500	\$4,633,500	\$1,800,000	63.5
Federal	3,901,000	3,806,500	3,806,500	4,106,500	4,106,500	205,500	5.3
Local	2,941,800	2,898,700	2,898,700	2,898,700	2,898,700	(43,100)	(1.5)
Private	842,500	842,500	842,500	842,500	842,500	0	0.0
Restricted	57,477,700	78,995,300	79,082,900	79,183,100	79,770,300	22,292,600	38.8
GF/GP	174,721,000	161,316,400	161,316,400	161,314,400	161,316,400	(13,404,60	(7.7)
Gross	\$242,717,50	\$252,492,90	\$252,580,50	\$252,978,70	\$253,567,90	\$10,850,40	4.5
FTEs	582.5	582.5	582.5	582.5	582.5	0.0	0.0

Note: FY 2002-03 YTD figures do not include the results of any supplementals, contingency fund transfers, or EO actions that occurred after March 6, 2003.

Major Budget Changes from FY 2002-03 YTD Appropriations:		YTD FY 2002-03	Enacted Change
1. Court Equity Fund Reimbursements	Gross	\$70,656,100	(\$750,100)
Reflects increased restricted revenue for Court Equity Fund reimbursements from filing fee increases (\$3.0 million) and the new Justice System Fund (\$5.6 million), which will receive revenue from assessments on civil infractions and criminal offenses. A GF/GP reduction offsets this revenue increase, resulting in a net reduction of \$750,100.	Restricted	36,044,000	8,625,900
	GF/GP	\$34,612,100	(\$9,376,000)
2. Judicial Technology Improvement Fund	Gross	\$2,072,800	\$2,392,200
Includes new restricted revenue for the Judicial Technology Improvement Fund from filing fee increases. Elimination of the existing GF/GP funds appropriated for judicial technology improvement and court boundary realignment costs leaves a \$2.4 million net increase.	Restricted	0	4,465,000
	GF/GP	\$2,072,800	(\$2,072,800)

Major Budget Changes from FY 2002-03 YTD Appropriations:		YTD FY 2002-03	Enacted Change
3. Drug Court Grant Program	Gross	\$1,280,800	\$3,354,200
Includes new restricted revenue for the Drug Court Grant Program from the new Justice System Fund, as well as an IDG of federal Byrne grant funding from the Community Health budget to fund drug court initiatives (see new boilerplate section 306(5)). Federal authorization for possible drug court training and evaluation grant also included.	IDG	0	1,800,000
	Federal	0	300,000
	Restricted	0	1,267,500
	GF/GP	\$1,280,800	(\$13,300)
4. Community Dispute Resolution Program	Gross	\$2,505,600	(\$5,800)
Reflects increased restricted revenue for the Community Dispute Resolution Program from filing fee increases. This increase roughly offsets the elimination of the current GF/GP appropriation for the program.	Federal	275,000	0
	Restricted	1,665,600	559,200
	GF/GP	\$565,000	(\$565,000)
5. Operational Reductions	Gross	NA	(\$1,328,600)
Contains \$1.3 million GF/GP in reductions across all operational line items in the budget.	GF/GP	NA	(\$1,328,600)
6. Justices' and Judges' Compensation	Gross	\$90,679,600	\$1,585,100
Includes three types of positive adjustments: (1) restored funding for one-time savings in FY 2002-03 due to timing of pay periods (\$953,500), (2) new/annualized funding for additional/converted judgeships (\$500,100), and (3) social security and retirement cost increases (\$131,500).	Restricted	7,090,200	0
	GF/GP	\$83,589,400	\$1,585,100
7. Rent and Building Occupancy Charges	Gross	NA	(\$1,068,000)
Includes reductions in private rent (\$295,100) and building occupancy charges (\$772,900) for facilities in which judicial agencies are housed.	GF/GP	NA	(\$1,068,000)
8. Early Retirement Adjustments	Gross	NA	(\$566,000)
Reflects two types of adjustments related to 2002 early retirement package: (1) removal of funds for one-time leave payouts and (2) annualization of savings for October 2002 retirees.	GF/GP	NA	(\$566,000)
9. Juror Compensation Reimbursement	Gross	\$0	\$6,600,000
Includes new statutory restricted funding source for juror compensation reimbursement payments to trial courts.	Restricted	0	6,600,000
10. Court of Appeals Fee Revenue	Gross	\$1,571,000	\$175,000
Increases appropriation for Court of Appeals fee revenue to reflect filing and motion fee increases.	Restricted	1,571,000	175,000
11. Justice System Fund Administration	Gross	\$0	\$600,000
Includes funds State Court Administrative Office will receive to administer new Justice System Fund (1.0% of fund collections).	Restricted	0	600,000

Major FY 2002-03 Supplemental Appropriation:		YTD FY 2002-03	Supplemental Approp.
GF/GP Reductions	Gross	NA	(\$1,103,700)
Includes \$1.1 million GF/GP reduction, corresponding to Executive Order 2003-3 reductions in other budget areas. Boilerplate language states that reductions are to be applied to specific line items by an authorized agent of Judiciary. Small reduction in local fee revenue is tied to underutilized fleet savings. (2003 PA 39)	Local	NA	(1,800)
	GF/GP	NA	(\$1,101,900)

Major Boilerplate Changes from FY 2002-03:

Sec. 206. Contingency Funds – DELETED

Appropriates federal, restricted, local, and private contingency funds that can be expended upon legislative transfer to a specific line item.

Sec. 307. Court of Appeals Backlog Reduction – NEW

States legislative intent that \$225,000 of additional revenue from the Court of Appeals filing and motion fee increases be used for the purpose of delay reduction.

Sec. 310. (Current Year) Community Dispute Resolution Program – DELETED

Provides for distribution of GF/GP funding for the program (1) to achieve a base level of \$30,000 and (2) for the remainder, based on performance measures (similar language proposed for incorporation into governing statute). Section also encourages distribution of informational brochures regarding program.

Sec. 310. (Enacted) Drug Court Evaluation – NEW

Requires an independent evaluation of drug court programs funded by the Judiciary budget, with the evaluation to include measures of the impact of drug court programs in changing recidivism and substance abuse and reducing prison admissions.

Sec. 311(5). Byrne Grant Funding – NEW

Provides for Judiciary to receive \$1.8 million in Byrne formula grant funding for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders.

Sec. 313. Child Support Enforcement System (CSES) Penalties – DELETED

Provides that counties not be penalized for discompliance with federal CSES requirements if the Family Independence Agency determines that certain conditions have been met.

Sec. 316(3). CSES Refund/Cyber Court – MODIFIED

Language modified to require that *not less than* \$1.0 million, but not more than \$2.0 million, of the \$6.0 million to be appropriated into the JTIF if a CSES refund is received be used for development of a cyber court (current-year language provides that *up to* \$1.0 million could be used for that purpose).

Sec. 318. Child Care Studies – DELETED

Directs Supreme Court to assist local trial courts with feasibility studies on the provision of child care for parents who must appear in court.

Sec. 320. Juvenile Justice System – DELETED

Calls for judicial branch to work with other state agencies to improve delivery of mental health/substance abuse treatment and education/training services for individuals leaving the juvenile justice system.

Sec. 322. Court Boundary Realignment – DELETED

Provides for allocation of funds appropriated for court boundary realignment (one-time appropriation).